

PAP Commission Minutes
September 27, 2017

Members Present: Reps. Rosenwald, Schmidt, Umberger, Sens. Bradley, Carson, Feltes, Commissioner Myers, Dr. Harker. Dr. Wolf-Rosenblum, J. Patterson, R. Cornell, L. Guertin

Sen. Bradley called the meeting to order at 1:00. Dr. Wolf-Rosenblum led the commission in the Pledge of Allegiance.

Bela Gorman, consultant to NHID, presented information on individual insurance market costs and premiums for the PAP population vs. non-PAP population. Dr. Harker asked if the PAP population is sicker. Her answer was yes, and she also believes the cost sharing reduction population has characteristics more like the PAP population than the >400% FPL income group. Sen. Bradley asked what would happen if we used a better process for screening out medically frail individuals from the PAP program. She responded that it would have an impact but no firm numbers. Arkansas has done this but they are making their screening less robust for 2018. Commissioner Myers said CMS had not allowed us to use a screening tool so far. Only Iowa allows people to not self-attest as medically frail.

Lisa Guertin stated Anthem had done a rough calculation and found that 36% of Anthem PAP members would meet a medically frail definition. These members generated virtually all excess cost. Their costs are 3.5 times higher than non-frail. Nine percent of their members had an SUD claim; their costs are 5.5 times higher. Anthem also looked at claims by income. Members with incomes between 100-138% FPL were not substantially higher than clients with incomes above subsidy eligibility levels; however, members with incomes below 100% FPL were substantially higher. She also noted that 10% of their members churn on and off. Dr. Harker asked what the impact on rates might be if churn were reduced. She thought it would be beneficial because there would be more months of premium collection. Jennifer Patterson asked if there might be a waiver opportunity to reduce churn. The commission was reminded that 37% of enrollees lose eligibility because their income becomes too high while 12% never finish the enrollment process. Jennifer Patterson stated we could do a better job managing churn, Rep. Rosenwald stated we should focus on those enrollees who do not finish enrollment because they are likely to be found eligible during a hospitalization and are, therefore, already more expensive. Sen. Feltes asked about the Arkansas screening tool. Deb Fournier stated that across Medicaid individuals with an opioid abuse diagnosis have costs 4 times higher. Dr. Harker asked if DHHS could determine Arkansas's screening tool plans for 2018.

Deb Fournier, Medicaid Director, handed out the Arkansas screening tool. Sen. Bradley asked if the tool could be used electronically. It could. Rep. Umberger asked what the financial impact on Medicaid might be if we took the medically frail population out of the PAP in favor of managed care. Deb Fournier said the department has not done that analysis. Dr. Harker asked what the impact might be on the MCOs. 11% of the NHHPP program currently self-attests as medically frail. Sen. Feltes asked what the cost of the medically frail population is. Sen. Bradley asked if doctors can determine someone as medically frail. They cannot under the current waiver. We could try that in the waiver renewal, as Iowa does. Ms. Fournier also presented information on NHHPP enrollment and utilization data.

Sen. Bradley closed the meeting by summarizing what he believes we have consensus on: Medically frail should be moved from PAP to managed care. Furthermore, we should explore ways to reduce churn, especially among those for whom it is not income related. He asked DHHS/NHID to bring an outline of the above goals. He also stated that, at some point, we should discuss options for the non-federal

funding share, but that such discussion should come after decisions on the first two points. He also asked NHID to work with LBA to project what the impact on the insurance premium tax revenues would be if PAP enrollment decreased 10% and 20%.

Sen. Bradley then adjourned the meeting.